

Message Text

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73

ACTION OPIC-12

INFO OCT-01 AF-10 ISO-00 AID-20 EB-11 COME-00 L-03 CIAE-00

INR-11 NSAE-00 ABF-01 TRSE-00 /069 W

----- 103539

R 111315Z SEP 74

FM AMEMBASSY NAIROBI

TO SECSTATE WASHDC 9106

LIMITED OFFICIAL USE NAIROBI 7740

E.O. 11652: N/A

TAGS: EFIN, OPIC, KE, US

SUBJ: USG/GOK BILATERAL RE OPIC INVESTMENT GUARANTIES

REF: STATE 196222; NAIROBI 6716

1. DISCUSSIONS WITH GOK OFFICIALS HAVE REVEALED GOK RECOGNIZES AUTHORITY OF U.S.G. TO USE FOR EXPENSES IN KENYA FUNDS OBTAINED FROM AMERICAN INVESTOR IN CONNECTION WITH OPIC CLAIM. IN ATWELL CASE, GOK FELT IT NECESSARY TO AUTHORIZE TRANSFER TO EMBASSY ON EXCEPTIONAL BASIS BECAUSE FUNDS WENT INTO EMBASSY'S EXTERNAL SHILLING ACCOUNT. KENYA SHILLINGS IN EXTERNAL ACCOUNT ELIGIBLE FOR AUTOMATIC CONVERSION INTO HARD CURRENCY AND THERE EXISTS, THEREFORE, NO CONTROL THAT THESE SHILLINGS BE USED FOR EXPENSES IN KENYA.

2. AS AMOUNT INVOLVED IN ATWELL CASE WAS SMALL RELATIVE TO EMBASSY'S REGULAR EXPENSES IN KENYA, EXCEPTIONAL AUTHORIZATION FOR TRANSFER TO EXTERNAL ACCOUNT WAS MADE. IF A FUTURE CLAIM INVOLVING LARGE SUM OF MONEY RESULTS IN THE NECESSITY OF TRANSFERRING SHILLINGS TO EMBASSY, GOK WILL PROBABLY REQUIRE EMBASSY TO OPEN LOCAL SHILLING ACCOUNT SO THAT GOK CAN CONTROL THAT FUNDS USED ONLY FOR LOCAL EXPENSES.

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3. GOK RECOGNITION U.S.G. AUTHORITY TO SPEND IN

KENYA, OPIC DERIVED KENYA SHILLINGS WILL BE CONFIRMED
BY EXCHANGE OF LETTERS BETWEEN GOVERNOR CENTRAL BANK
AND AMBASSADOR. COPIES OF LETTERS WILL BE SENT TO
OPIC.
MARSHALL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCIAL AGREEMENTS, INVESTMENT GUARANTEES, FOREIGN EXCHANGE TRANSACTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: kelleyw0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740253-0597
From: NAIROBI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740956/aaaabvfe.tel
Line Count: 66
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: STATE 196222; NAIROBI 6716
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Review Comment: n/a
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Review Event:
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Review Markings:

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